

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA	:	PRELIMINARY ORDER OF
	:	FORFEITURE/
- v. -	:	<u>MONEY JUDGMENT</u>
JASON RHODES,	:	
	:	S1 18 Cr. 887 (SHS)
Defendant.	:	
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WHEREAS, on or about December 16, 2019, JASON RHODES, (the “Defendant”) was charged in a four-count Superseding Indictment, S1 18 Cr. 887 (SHS) (the “Indictment”) with conspiracy to commit securities fraud and wire fraud, in violation of Title 18, United States Code, Section 371 (Count One); securities fraud, in violation of Title 15, United States Code, Sections 78j(b) & 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18, United States Code, Section 2 (Count Two); wire fraud, in violation of Title 18, United States Code, Sections 1343 and 2 (Count Three); investment advisor fraud, in violation of Title 15, United States Code, Sections 80b-6 and 80b-17 and Title 18, United States Code, 2 (Count Four);

WHEREAS, the Indictment included a forfeiture allegation as to Counts One through Four of the Indictment, seeking forfeiture to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), of any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses charged in Counts One through Four of the Indictment, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of the offenses charged in Counts One through Four of the Indictment;

WHEREAS, on or about January 9, 2020, the Defendant pled guilty to Counts One through Four of the Indictment;

WHEREAS, the Government asserts that \$25,451,801 in United States currency represents any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense charged in Counts One through Four of the Indictment, that the Defendant personally obtained, of which the Defendant is jointly and severally liable with co-conspirators Steven Simmons, *United States v. Simmons*, 17 Cr. 127 (KMW) (S.D.N.Y.) and the forfeiture money judgment entered against Simmons in that matter and Mark Varacchi, *United States v. Varacchi*, 17 Cr. 76 (NRB) (S.D.N.Y) to the extent a forfeiture money judgment is entered against Varacchi in that matter; and

WHEREAS, the Court finds that as a result of acts and/or omissions of the Defendant, the proceeds traceable to the offenses charged in Counts One through Four of the Indictment that the Defendant personally obtained cannot be located upon the exercise of due diligence.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED THAT:

1. As a result of the offenses charged in Counts One through Four of the Indictment, to which the Defendant pled guilty, a money judgment in the amount of \$25,451,801 in United States currency (the "Money Judgment"), representing the amount of proceeds traceable to the offenses charged in Counts One through Four of the Indictment that the Defendant personally obtained, of which the Defendant is jointly and severally liable with co-conspirators Steven Simmons, *United States v. Simmons*, 17 Cr. 127 (KMW) (S.D.N.Y.) and the forfeiture money judgment entered against Simmons in that matter and Mark Varacchi, *United States v.*

*Varacchi*, 17 Cr. 76 (NRB) (S.D.N.Y) to the extent a forfeiture money judgment is entered against Varacchi in that matter, shall be entered against the Defendant.

2. Pursuant to Rule 32.2(b)(4) of the Federal Rules of Criminal Procedure, this Preliminary Order of Forfeiture/Money Judgment is final as to the Defendant, JASON RHODES and shall be deemed part of the sentence of the Defendant, and shall be included in the judgment of conviction therewith.

3. All payments on the outstanding money judgment shall be made by postal money order, bank or certified check, made payable, in this instance, to the United States Marshals Service, and delivered by mail to the United States Attorney's Office, Southern District of New York, Attn: Money Laundering and Transnational Criminal Enterprises Unit, One St. Andrew's Plaza, New York, New York 10007 and shall indicate the Defendant's name and case number.

4. The United States Marshals Service is authorized to deposit the payments on the Money Judgment in the Assets Forfeiture Fund, and the United States shall have clear title to such forfeited property.

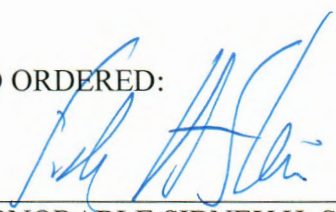
5. Pursuant to Title 21, United States Code, Section 853(p), the United States is authorized to seek forfeiture of substitute assets of the Defendant up to the uncollected amount of the Money Judgment.

6. Pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, the United States Attorney's Office is authorized to conduct any discovery needed to identify, locate or dispose of forfeitable property, including depositions, interrogatories, requests for production of documents and the issuance of subpoenas.

7. The Court shall retain jurisdiction to enforce this Preliminary Order of Forfeiture/Money Judgment, and to amend it as necessary, pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure.

Dated: New York, New York  
September 4, 2021

SO ORDERED:



HONORABLE SIDNEY H. STEIN  
UNITED STATES DISTRICT JUDGE